

Gemstone Mining Inc.

P.O. Box 3413, Cedar City, Utah 84721

5/023/018

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AUG 09 2000

DIVISION OF
OIL, GAS AND MINING

August 7, 2000

D. Wayne Hedberg

Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Hedberg:

Attached is the annual report for the mine listed as Beryl 1, mine #s230018. I apologize for this information being passed due. We were unaware that an annual report was required for this property. Our records show that we have already filled out the annual report for the Ruby Violet mine (#M010045). Could you please review your records and confirm that we have.

Will you also please change the contact person for each of the mines discussed above to Clinton H. Christensen, P.O. Box 3413, Cedar City, UT 84721.

Thank You,



Clinton H. Christensen
Operations Manager

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

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DIVISION OF
OIL, GAS AND MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/01/99 To (mo./yr.) 12/99
 2. DOGM File Number (Mine No): S2/300/18
 3. Mine Name: Beryl 1
 4. Mineral(s) Mined (or permitted to mine): Red Beryl
 5. Type of mine ☒ Surface Mine or ☐ Underground Mine
 6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section 10, Township 12S, Range 12W
____ 1/4, ____ 1/4, ____ 1/4, Section 11, Township 12S, Range 12W
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
 7. Name of Operator or Company: Gemstone Mining Inc
 8. Permanent Street Address: P.O. Box 34130
City, State, Zip: Cedar City, UT 84721
Phone: 435-867-0318 Fax: 435-867-0321
 9. Company Representative (or designated operator):
Name: Clinton H. Christensen
Title: Operations Manager
Business Address: P.O. Box 3413
City, State, Zip: Cedar City, UT 84721
Phone: 435-559-7752 Fax: 435-867-0321
- ☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? 1996
3. If yes - how much ore or mineral was mined? _____

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
- _____
- _____
- _____
5. How much **additional acreage** was disturbed during the past year? 0
6. How much acreage was **reclaimed** during the past year? 0
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
- _____
- _____
- _____
8. What is the **total disturbed acreage of entire project** at years end? 51 Acre
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
- None
- _____
- _____
- _____

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Clinton H. Christensen

Title of Operator:

Operations Manager

Signature of Operator:

[Signature]

Date:

8/7/00